C GB- CC-0458



February 20, 2006

Commission's Secretary, Office of the Secretary Federal Communications Commission Attention: CGB Room 3-B431 445 12th Street, SW Washington, DC 20554

Re: Petition for Exemption from 47 C.F.R. §79.1, implementing Section 713 of the

Communications Act of 1934

Dear Sir or Madam:

Pursuant to 47 C.F.R. §79.1, Family Praise Center, Inc. ("Petitioner") hereby requests exemption from the Federal Communication Commission's closed captioning requirements for the Petitioner's television program entitled, "Getting Equipped with Family Praise Center" ("the Program").

FACTS

- 1. Family Praise Center, Inc. is a non-profit church corporation of the State of Texas and conducts its religious services at 5820 NW Loop 410, San Antonio, Texas 78238. It is also exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code. (See Exhibits A and B).
- 2. The Program is one half hour in length (including commercial interruptions) and consists of a recording of one religious song and the sermon preached by Petitioner's presiding minister during Petitioner's services on the Sunday prior to the airing of the Program.
- 3. The Program is not aired nationally. It is aired locally only, at the following times and on the following stations:

TBN affiliate KHCE:

Thursday @ 11:00 a.m.

WB affiliate KRRT:

Friday @ 7:00 a.m.

PAX affiliate KPXL:

Friday @ 9:30 a.m. and Saturday @ 10:30 p.m.

FOX affiliate KABB:

Sunday @ 7:00 a.m.

- 4. The Program is aired as a religious outreach to the San Antonio community, to reach the unchurched and individuals unable to attend church.
- 5. Petitioner, itself, produces the Program. Petitioner produced forty-eight episodes per year, and forty-eight episodes are aired annually, at the times and on the stations listed above.
- 6. The Program is a non-news program.
- 7. Preliminary bids for closed captioning of the Program are running approximately \$13,000.00 annually. Based upon these early bids, Petitioner is currently assessing the cost feasibility of processing the closed captioning in-house. Estimates of costs for required equipment are approximately \$8000.00, while estimates of labor costs for approximately ten hours of labor per week are \$18,000.00 per year. In addition, compliance with the closed captioning requirement will add another \$13,000.00 to \$14,000.00 in reproduction and shipping costs, since the Petitioner will be required to purchase specific coded tape and outsource the duplication of these tapes.
- 8. The Program does not net a profit, nor is it intended to do so. Currently, the Petitioner spends approximately \$1750.00 per months to produce the Program and \$14,500.00 per month to air the Program. Petitioner does not request donations over the air, and Petitioner receives only negligible donations from viewers. Although copies of the sermons are offered for sale over the air, the response is very low. Typically, no more than five copies of the Program (totally a gross sales revenues of less than \$75.00) are sold weekly.
- 9. Petitioner netted a loss of \$341,753.29 in 2005. (See Exhibit C).
- 10. To date, the Petitioner has not obtained concessions from distributors to assist in funding the costs of closed captioning. Neither has the Petitioner received any commitments from sponsors to assist in allaying these expenses.

ARGUMENTS

The Program has no repeat value. It is aired essentially as a public service to the San Antonio community, for viewing by the unchurched and by individuals unable to attend services. It is not revenue-generating. It has one-time appeal to the audience, as it is replaced in the following week by the Program containing the most current sermon preached at the Petitioner's location. The low sales volume of tape recordings of the Program reflects that the Program has no repeat value in the eyes of Program viewers. The fact that the Program generates essentially no gross revenues reflects that the Program has no repeat value to the Petitioner.

Federal Communications Commission February 20, 2006 Page -3-

- 12. The Program is of local public interest. The Program is shown locally only. The Program contains sermons preached at the Petitioner's facilities, and the sermons are addressed to the Petitioner's congregants and to the people of the San Antonio viewing area. In this respect, the Programs are akin to "live unscripted local talk shows".
- 13. Compliance with the closed captioning requirements will result in an undue burden. The Petitioner operated at a substantial loss in 2005, and the cost of producing and airing the Program is already a sacrifice to the Petitioner, as the Program does not generate revenue to offset these costs. Enforcement of the closed captioning rules in this instance will increase the costs of producing and airing the Program so much that Petitioner may be forced to remove the Program from one or more of the stations airing the Program and possibly to remove the Program from the air entirely. Such reduction or elimination in air time will reduce the circulation of Petitioner's religious message. The diversion of Petitioner's financial resources to pay for closed captioning and the diversion of Petitioner's staff to conduct closed captioning will also inevitably reduce the funds and man hours available for Petitioner to devote to its other religious outreaches to the people of San Antonio.

REQUESTS FOR RELIEF

- 14. Based upon the facts alleged, and those at paragraphs 1 through 6 in particular, as well as Petitioner's arguments at paragraphs 11 and 12, Petitioner requests that the Commission rule that Petitioner is exempt from the closed captioning requirements pursuant to 47 C.F.R. §79.1(d)(8), as a locally produced and distributed non-news program with no repeat value.
- 15. Based upon the facts alleged, and those at paragraphs 7 through 10 in particular, as well as Petitioner's argument at paragraphs 13, Petitioner requests that the Commission rule that Petitioner is exempt from the closed captioning requirements pursuant to 47 C.F.R. §79.1(f) because the closed captioning requirements will result in an undue burden to Petitioner.
- 16. In the alternative, if the Commission is unable to rule as requested at paragraphs 14 and 15, Petitioner requests that the Commission grant to Petitioner an additional period of one year to seek concessions from distributors and to solicit commitments from sponsors to assist in allaying the expenses of compliance with the closed captioning requirements so that Petitioner may continue to air the Program without a reduction in air time.

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Please feel free to contact me if you have additional questions or require additional documentation.

Sincerely yours.

Minister Paul E. Haber

AFFIDAVIT

I, Minister Paul E. Haben, am the Business Administrator of Petitioner, Family Praise Center, Inc. and am fully familiar with the matters addressed in this Petition dated February 20, 2006. I have read the Petition and reviewed the supporting documentation, and I represent and agree that to the best of my knowledge and belief the various facts and arguments asserted therein are true, correct, and complete

Signature

Date

ARTICLES OF INCORPORATION

OF

FILED
In the Office of the Secretary AState of Texas

NOV 0 1 1993

DAYSTAR OF AMERICA, INC.

I, the undersigned natural person over the age of eighteen (18), acting as an incorporation adopt the following Articles of Incorporation of DAYSTAR OF AMERICA, INC. under the Texas Non-Profit Corporation Act (referred to as the "Act"):

ARTICLE 1

NAME

The name of the corporation is FAMILY PRAISE CENTER, INC.

ARTICLE 2

NONPROFIT CORPORATION

The corporation is a non-profit corporation. Upon dissolution, all of the Corporation's assets shall be distributed to the State of Texas or an organization exempt from taxes under Internal Revenue Code Section 501(c)(3) for one or more purposes that are exempt under the Texas franchise tax.

ARTICLE 3

DURATION

The Corporation shall continue in perpetuity.

ARTICLE 4

PURPOSES

The purposes for which the Corporation is organized are to receive and maintain a fund or funds of real or personal property, or both, and, subject to the restrictions and limitations set forth in Article 6 hereof, to use and apply the whole or any part of the income therefrom and the principal thereof exclusively for charitable, religious, literary, or educational purposes either directly or by contributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended. Specifically, the Corporation is organized to establish and develop churches and ministries relating to the churches including but not limited to training and ordination of ministers; to establish and sustain support ministries in evangelism, missionary fields, youth homes, street ministries, and the like; to establish and develop educational facilities and programs to include establishment and development of schools at all levels and daycare programs; to establish and develop radio, television and other mass media ministries; and to own and operate facilities appropriate for such services.

Articles of incorporation, Page 1

POWERS

EXHIBIT A

Except as otherwise provided in these Articles, the Corporation shall have all of the powers provided in the Act.

ARTICLE 6

RESTRICTIONS AND REQUIREMENTS

The Corporation shall not pay dividends or other corporate income to its directors or officers or otherwise accrue distributable profits or permit the realization of private gain. The Corporation shall have no power to take any action prohibited by the Act.

The Corporation shall have no power to take any action that would be inconsistent with the requirements for a tax exemption under Internal Revenue Code Section 501(c)(3) and related regulations, rulings, and procedures. The Corporation shall have no power to take any action that would be inconsistent with the requirements for receiving tax deductible charitable contributions under Internal Revenue Code Section 170(c)(2) and related regulations, rulings, and procedures. Regardless of any other provision in these Articles of Incorporation or state law, the Corporation shall have no power to:

- 1. Engage in activities or use its assets in manners that are not in furtherance of one or more exempt purposes, as set forth above and defined by the Internal Revenue Code and related regulations, rulings and procedures, except to an insubstantial degree.
- 2. Serve a private interest other than one that is clearly incidental to an overriding public interest.
- 3. Devote more than an insubstantial part of its activities to attempting to influence legislation by propaganda or otherwise, except as provided by the Internal Revenue Code and related regulations, rulings, and procedures.
- 4. Participate in or intervene in any political campaign on behalf of or in opposition to any candidate for public office. The prohibited activities include the publishing or distributing of statements and any other direct or indirect campaign activities.
- 5. Have objectives that characterize it as an "action organization" as defined by the Internal Revenue Code and related regulations, rulings, and procedures.
- 6. Distribute its assets on dissolution other than for one or more exempt purposes; on dissolution, the Corporation's assets shall be distributed to the state government for a public purpose, or to an organization exempt from taxes under Internal Revenue Code Section 501(c)(3) to be used to accomplish the general purposes for which the Corporation was organized.
- 7. Permit any part of the net earnings of the Corporation to inure to the benefit of any private individual.

8. Carry on an unrelated trade or business except as a secondary purpose related to the Corporation's primary, exempt, purposes.

ARTICLE 7

MEMBERSHIP

The Corporation shall have no members.

ARTICLE 8

INITIAL REGISTERED OFFICE AND AGENT

The street address of the initial registered office of the Corporation is P.O. Box 681406, San Antonio, Texas 78268. The name of the initial registered agent in this office is S. Todd Burchett.

ARTICLE 9

BOARD OF DIRECTORS

The qualifications, manner of selection, duties, terms, and other matters relating to the Board of Directors (referred to as the "Board of Directors") shall be provided in the bylaws. The initial Board of Directors shall consist of three (3) persons. The number of directors may be increased or decreased by adoption or amendment of bylaws. The initial Board of Directors shall consist of the following persons at the following addresses:

RICK HAWKINS 800 Vista Valet, No. 2806 San Antonio, Texas 78216

GARY McINTOSH 8004 E. 87th Court Tulsa, Oklahoma 74133

S. TODD BURCHETT
P. O. Box 681406
1599 Bandera Road
San Antonio, Texas 78268-1406

ARTICLE 10

LIMITATION ON LIABILITY OF DIRECTORS

A director is not liable to the Corporation for monetary damages for an act or omission in the director's capacity as director except to the extent otherwise provided by a statute of the State of Texas.

Articles of Incorporation, Page 3

ARTICLE 11

EXHIBIT A

INDEMNIFICATION

The Corporation may indemnify a person who was, is, or is threatened to be made a named defendant or respondent in litigation or other proceedings because the person is or was a director or other person related to the Corporation as provided by the provisions in the Act governing indemnification. As provided in the bylaws, the Board of Directors shall have the power to define the requirements and limitations for the Corporation to indemnify directors, officers, or others related to the Corporation.

ARTICLE 12

CONSTRUCTION

All references in these Articles of Incorporation to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time.

ARTICLE 13

INCORPORATOR

The name and street address of the incorporator is:

J. David Brown Johnson, Curney & Fields, P.C. 613 N. W. Loop 410, Suite 800 San Antonio, Texas 78216-5509

I execute these Articles of Incorporation on October 1, 1993.

J. DAVID BROWN

STATE OF TEXAS

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COUNTY OF BEXAR

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BEFORE ME, a notary public, on this day personally appeared J. DAVID BROWN known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this Stay of October
A.D., 1993.

TERI CHAFIN

IN COMMISSION EXPIRES

September 13, 1994

Notary Public, State of Texas

My commission expires: 9/94

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The State of Texas

EXHIBIT B

Secretary of State

NOV. 3, 1993

TERI CHAFIN-JOHNSON, CURNEY 800 SPECTRUM BLDG. 613 N.W. LOOP 410 SAN PED SAN ANTONIC ,TX 78216-5509

RE: FAMILY PRAISE CENTER, INC. CHARTER NUMBER

IT HAS BEEN OUR PLEASURE TO APPROVE AND PLACE ON RECORD THE ARTICLES OF INCORPORATION THAT CREATED YOUR CORPORATION. WE EXTEND OUR BEST WISHES FOR SUCCESS IN YOUR NEW VENTURE.

AS A CORPORATION, YOU ARE SUBJECT TO STATE TAX LAWS. SOME NON-PROFIT CORPORATIONS ARE EXEMPT FROM THE PAYMENT OF FRANCHISE TAXES AND MAY ALSO BE EXEMPT FROM THE PAYMENT OF SALES AND USE TAX ON THE PURCHASE OF TAXABLE ITEMS. IF YOU FEEL THAT UNDER THE LAW YOUR CORPORATION IS ENTITLED TO BE EXEMPT YOU MUST APPLY TO THE COMPTRULLER OF PUBLIC ACCOUNTS FOR THE EXEMPTION. THE SECRETARY OF STATE CANNOT MAKE SUCH DETERMINATION FOR YOUR CORPORATION.

IF WE CAN BE OF FURTHER SERVICE AT ANY TIME, PLEASE LET US KNOW.



VERY TRULY YOURS,

Secretary of State



EXHIBIT B

The State of Texas

Secretary of State

CERTIFICATE OF INCORPORATION

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FAMILY PRAISE CENTER, INC. CHARTER NUMBER

THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS, HEREBY CERTIFIES THAT THE ATTACHED ARTICLES OF INCORPORATION FOR THE ABOVE NAMED CORPORATION HAVE BEEN RECEIVED IN THIS OFFICE AND ARE FOUND TO COMEDRM TO LAW.

ACCORDINGLY, THE UNDERSIGNED, AS SECRETARY OF STATE, AND BY VIRTUE OF THE AUTHORITY VESTED IN THE SECRETARY BY LAW, HEREBY ISSUES THIS CERTIFICATE OF INCORPORATION.

ISSUANCE OF THIS CERTIFICATE OF INCORPORATION DOES NOT AUTHORIZE

THE USE OF A CORPORATE HAME IN THIS STATE IN VIOLATION OF THE RIGHTS OF

ANOTHER UNDER THE FEDERAL TRADEMARK ACT OF 1946, THE TEXAS TRADEMARK LAW

THE ASSUMED BUSINESS OF PROFESSIONAL NAME ACT OF THE COMMON LAW.

DATED NOV. 1, 1993



Secretary of State



COMPTROLLER OF PUBLIC ACCOUNTS STATE OF TEXAS AUSTIN. 78774

February 28, 1995

S. Todd Burchett Family Praise Center, Inc. P.O. Box 28402 San Antonio, TX 78228-0402

Dear Mr. Burchett:

I am happy to report that Family Praise Center, Inc., Taxpayer No. qualifies for exemption from state franchise tax as a 501(c)(3) organization effective November 1, 1993. Since the account is in the process of being updated, you should disregard any franchise tax notices for periods covered by the exemption. In the event we have reason to believe the organization no longer qualifies for exemption, we will notify the registered agent that the exempt status is under review.

This corporation also qualifies for exemption from the Texas limited sales, excise and use tax effective November 1, 1993, as a 501(c)(3) organization. It may issue an exemption certificate in lieu of the sales tax on taxable items if they relate to the purpose of the exempt organization and are not used for the personal benefit of a private stockholder or individual. The certificate does not require a number to be valid and may be reproduced in any quantity.

If your organization makes any sales of taxable items or services, please contact our Tax Assistance Section at 1-800-252-5555 to determine if a sales tax permit is needed. The regular number is 512/463-4600.

In regard to any information concerning unemployment taxes, you will need to contact the Texas Employment Commission. Their telephone number for the Austin location is 512/463-2222, and you may possibly find a local listing for San Antonio in the telephone directory for the San Antonio area.

If the organization changes its name, registered agent or registered office address, it is required to notify the Secretary of State.

If you have any questions, please call me toll free at 1-800-531-5441, ext. 3-4142. The regular number is 512/463-4142.

Sincerely,

Wanda K. Carter

Exempt Organizations Section

SM/74

INTERNAL REVENUE SERVICE DISTRICT DIRECTOR 1100 COMMERCE STREET DALLAS. TX 75242-0000

Date: AUG 0 5 1994

FAMILY PRAISE CENTER INC PO BOX 28402 - 1589 BANDERA RD SAN ANTONIO, TX 78228

EXHIBIT B

Employer Identification Number:

Case Number:

Contact Person:
SHARI FLOWERS
Contact Telephone Number:
(214) 767-6023
Accounting Period Ending:
December 31
Form 990 Required:
NO

Addendum Applies:

N/A

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in sections 509(a)(1) and 170(b)(1)(A)(i).

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. This does not apply, however, if you make or have made a timely election under section 3121(w) of the Code to be exempt from such tax. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes. If you have any questions about excise, employment, or other Federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of Code sections 2055, 2106, and 2522.

Contribution deductions are allowable to donors only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not

FAMILY PRAISE CENTER INC

necessarily qualify as deductible contributions, depending on the circumstances. See Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2. on page 104, which sets forth guidelines regarding the deductibility, as charitable contributions, of payments made by taxpayers for admission to or other participation in fundraising activities for charity.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. If Yes is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$10 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$5,000 or 5 percent of your gross receipts for the year, whichever is less. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T. Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

If we have indicated in the heading of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

Recause this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

FAMILY PRAISE CENTER INC

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

Bobby E. Scott District Director 1:05 PM 02/21/06 Accrual Basis

Family Praise Center, Inc. Profit & Loss January through December 2005

EXHIBIT C

	Jan - Dec 05
Ordinary Income/Expense	-
Income	
Total Income	3,929,193.85
Gross Profit	3,929,193.85
Expense	
Total Expense	3,959,945.43
Net Ordinary Income	-30,751.58
Other Income/Expense	
Other Income	
Total Other Income	-272,323.85
Other Expense	
Total Other Expense	38,677.86
Net Other Income	-311,001,71
Net Income	-341,753.29